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*Read Sherman Esq
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May 10/78 FRIENDLY SERMONS

TO THE

PROTECTIONIST MANUFACTURERS

OF THE

UNITED STATES

BY

J. S. MOORE

PUBLISHED FOR THE
COUNCIL FOR TARIFF REFORM

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COUNCIL FOR TARIFF REFORM.

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INTRODUCTORY.

IT is scarcely necessary to say that the fragmentary papers included within these pages are presented rather to stimulate inquiry than to secure conviction. They are the issue of the incisive pen of Mr. J. S. Moore, the well-known "Parsee Merchant," and in their original appearance in the *New York Evening Post* attracted considerable attention and incited much useful discussion. The Council offers no apology for publishing them in this more permanent and convenient form, but rather on behalf of the public returns thanks to Mr. Moore and the *Evening Post* for the permission to do so. What the people want in the tariff debate is facts, and here are facts; what they desire is brevity, and here is brevity; what they demand is fairness, clearness, abstinence from rose-colors and avoidance of buncombe—and no man who brings to these papers an open mind and candid judgment can fail to be struck with the straightforward character of Mr. Moore's logic, the absence of rhetorical devices, and the quality of everyday common sense which pervades the whole writing.



FRIENDLY SERMONS.

HARD TIMES.

To the Protectionist Manufacturers of the United States.

GENTLEMEN :—I really think we have been at cross purposes for the last ten years solely because we have misunderstood each other. Now, I have unswervingly assailed your protection proclivities in numerous letters, articles, and pamphlets. You, on the other hand, have by no means taken kindly to my criticism. I don't complain of that. But unfortunately you have had the best of me in this way, namely, that while I have been writing and exposing the folly and hardships of protection, you have steadily pursued your course, and inflicted the hardships of which I complained.

The time has now come when a change in the political economy of the land is inevitable, and I really think I could be of more real service to you than you imagine. In the first place, I most earnestly disclaim the idea that I am an enemy to home industry. Why, my good protectionist friends, I solemnly declare to you that I would prefer to see this right hand which pens these lines paralyzed before I would see the industries of this country paralyzed through any interference of mine. True,

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you may say, I have no material interests at stake ; but I have a numerous young family who will make this country their home ; and how wicked, how foolish, and how ungrateful should I be, if I should designedly want to injure the industry of the country which is to be the home of my children ! Pray, my good friends, be more charitable in your estimation, and believe me that nothing but the most clear demonstration that a change of our tariff system is the only true policy to revive speedily our industries could induce me to persist in my endeavors to hasten the change.

I intend in a series of letters to demonstrate to you where the protection shoe pinches. I will adduce nothing but facts, and you yourself shall judge whether these numerous facts can be assailed. Now, although we disagree at present about the desirability of a lower tariff, there are, nevertheless, a few things in the economical question of the day in which we do agree.

First. We agree that the manufacturing industries of the country have been for four years, and are now, in a very deplorable state. There is no denying this fact. When, a year ago, the Morrison Tariff bill was up, the great iron industry of Pennsylvania, like the ancient Britons, sent the following groan to the Ways and Means Committee :

“ With failure upon failure of our most experienced and respected iron-masters announced in the public prints from day to day, with wages of iron-workers necessarily reduced so low that they and their families can scarcely escape destitution and starvation, the American Iron and Steel Association is astounded to learn that a reduction of duties on foreign iron is

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seriously contemplated by the Ways and Means Committee, and it respectfully, through you, protests against such action."

The woolen trade is even in a worse state, and, in fact, there is not a single industry that is really flourishing.

Second. We must agree that protection is no panacea for hard times. Four years of experience has proved this. Woolen goods are protected all the way from seventy to one hundred and forty per centum. Bar iron, the commonest kind, at one cent a pound duty, is protected more than fifty per centum. Indeed, our importations of woollens, iron, steel, and other things have fallen off in a most remarkable degree, and yet our home industry is in a deplorable state. In short, protection, like the false god Baal, will not answer at the very time when he is required to show his potency.

You may naturally say to me that England, which has free trade, is as badly off as we are. Well, gentlemen, that does not prove that protection is preferable. Besides, it is a most remarkable fact that, with the hard times in England, under free trade, two things have happened. First, pauperism has not only not increased in England during the last three years, but in some large cities has actually decreased; and secondly, emigration from England has fallen off largely. Now here the reverse is unfortunately the fact. Pauperism and dire distress have increased fearfully during the last three or four years, and not only has immigration fallen off to less than one-fourth, but, what is worse, shiploads of the most industrious classes are leaving us almost daily. You but

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too well know that several vessels with emigrants have cleared our ports for Australia, not to seek, as formerly, gold, but to work for a living; and American workmen are now employed in Scotland, and glad to receive what you have derided as pauper wages. In our large cities begging and pauperism have become a great scandal. Thousands of people in New York and other large cities go about daily from house to house to beg a meal of broken victuals. I regret to have to state these disagreeable facts. But I only do it to prove to you that protection is unable to mitigate this distress, if indeed it is not one of the causes that brought it about.

Now, my friends, protection, the way you have enjoyed it for the last sixteen years, must produce several drawbacks.

First. It induces a vast number of competitors at home in manufacturing. Capital is employed by the unpracticed. Goods are produced at high rates because they are protected. The wholesome laws of equity between employer and employé are often rudely broken. The law of gravitation is not more certain than that over-production is the result of protection. Losses and sacrifices are the consequences; and then comes the inevitable dry rot, stagnation, no employment, and hard times.

Second. The greatest evil you suffer from is that you are so eager for home protection and a home market that you have scarcely any outlet for your manufactured industry, and this is the curse of home protection, and is a drag-chain to your industry. Now I intend to show how the several industries suffer on account of the want of a foreign market.

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I will to-day close my letter by simply summarizing the whole industrial production of the country and the amount of exports.

The census of 1870 gives as a sum total of the value of manufactured articles in the United States in one year \$4,232,325,000. This amount is, of course, exclusive of cereals, cotton, or any kind of agricultural or mineral production. It simply means manufactured industry. I believe, however, this great production in 1870 has fallen in amount, owing to various causes, at least twenty per centum, and I estimate the value of manufactured articles in the United States in 1876 at about \$3,500,000,000.

Assuming that to be the amount produced, let us see how much surplus we have exported. Now, our exports during 1876 of manufactured articles amounted to \$69,316,383. Supposing this great manufacturing country to require an outlet of only five per centum of the goods it produces, our exports in 1876, setting the production at \$3,500,000,000, should have been \$175,000,000. In point of fact they were barely \$69,500,000.

Don't you see, my good friends, how you are crippled, and eventually killed, by the accumulation of this surplus which you cannot export? But in my future letters I will go into details. A long homily to an afflicted and suffering congregation is a double infliction. I hope you will take this first frank epistle into kind consideration until I prepare my second.

IRON.

To the Protectionist Manufacturers of the United States.

GENTLEMEN:—In accordance with my promise that I would show in detail the difficulty that home-protected manufacturers suffer from, which is owing, in my opinion, to the unfortunate tariff, I will to-day go into the iron trade of the country.

And first let me say that not only has the Centennial Exhibition proved that American manufacturers can hold their own in producing goods against any foreign manufacturers, but it is conceded that in many products the Americans far excel the foreigners; and iron is pre-eminently one of these products.

Well, then, in 1870 this country produced \$128,062,627 worth of rolled and forged iron. I have no doubt that the production in 1876 was at least twenty per centum less. Assuming that the production in 1876 was only \$100,000,000, let us see how much of this has been exported to foreign countries. I find that the total export of this class of iron in 1876 was as follows:

Bar iron.....	\$607,921
Boiler plates.....	5,370
Railroad iron.....	57,109
Sheet, band, and hoop iron.....	5,004
Total iron.....	<hr/> \$675,404
If I add steel to this, which was.....	13,208
The total becomes.....	<hr/> \$688,612

Or about eleven-sixteenths of one per centum of the amount produced.

Now England, which, it is true, produces four times as much iron and steel as this country does, exported during the month of May last to foreign countries £2,136,567, or in our money more than \$10,683,000. Behold the immense difference! Behold the reason for the distressing stagnation in our iron trade, and the less distress in England!

But there is another feature in the American export trade of iron, and it is this: If it had not been for Canada our total export of iron to the whole world would not have been \$71,000. Canada took from us in 1876 \$604,492 worth of iron, and all the rest of the world \$70,912.

Of course this Canada trade is owing to proximity, but it shows one great fact, namely, that our bar-iron manufacturers could compete with the English in the Canadian market.

Now here are Mexico, Chili, Peru, Australia, the East Indies—countries all of which take from England great quantities of iron. How much have we exported to these lands? Let me show you. In 1876 we exported to

Mexico bar iron in value.....	\$4,996
Peru	None.
Chili.....	None.
Argentine Republic.....	None.
Australia.....	None.
British India.....	None.

Now, my good protectionist iron friends, how is it that you exported no iron to these countries, which have

bought so much from England and Belgium? I will tell you. Your unfortunate protection policy in iron has made it necessary that raw wool, copper, jute, hemp, linseed, etc., should pay high duties. Now it so happens that the countries above-named chiefly export wool, copper, jute, hemp, and linseed. The United States having no demand for these products, owing to the high duties, have to-day scarcely any ships either going to or carrying from those lands; hence, since there is no trade from Mexico, Chili, Argentine, Peru, and the East Indies, there is naturally no trade to those states. Now, suppose we had free wool, and our American ships went from New York and Baltimore to the Argentine Republic, for instance, to load wool for New York or Baltimore. We should naturally put something into those ships, and we should put a fair quantity of iron into them, which would find a market in Buenos Ayres or Montevideo. But as your tariff of sixty and seventy per centum on raw wool precludes the idea of getting wool from Buenos Ayres, the idea of Buenos Ayres taking iron from you is precluded as a natural consequence. There is Chili begging you to take her copper, which you so much need; yet you have virtually prohibited the import of copper by placing a duty of five cents a pound on ingot copper. Chili does not want the "dollars of your sires;" she wants iron, steel, and other articles which I shall in due course name in my epistles.

You, my good protectionist iron friends, have shut out foreign competition in iron at home, and you have most decidedly, by your policy, shut out your iron from going to other countries. Now, you will naturally say—and I

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never have seen a protectionist who did not say it—that raw material ought to be free and iron ought to be protected. But the wool-grower in Ohio and the West, and the copper-mine owners of the Hecla and Calumet say: “Why is iron protected? If iron is to be protected we have a right to see wool and copper protected.” And therefore, like so many overgrown ostriches (pray pardon my expression), you put your intellectual heads under your wings and refuse to see the real danger that is threatening you.

All your endeavors, all your subsidies to ships and railways, will avail you nothing as long as you proscribe the free exchange of trade. If you want a foreign market, you must allow a foreign market to sell you goods; without that you cannot succeed. If you agree to reduce the duty on foreign iron and steel—which no more needs protection against the foreign product than a prize-fighter needs protection for his sacred person in a Quaker meeting-house—you will by such a policy relieve the present restriction on foreign wool, copper, jute, and linseed; a great trade will spring up for these valuable raw materials; you will have ships loading for all these countries, in order to bring home the raw materials named; and thereby you will be enabled to get rid of your surplus iron and steel. The excellency of your iron and steel products will soon assert itself in the remotest corners of the world; and if the markets of New York, Baltimore, and Boston are crowded with great quantities of raw wool, jute, hemp, linseed, and copper, two things will follow: First, our manufacturers of woollens, rope, sail-cloths, linseed-oil, and all kinds of copper merchandise will be

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able to compete with the foreigners on an equal footing, owing to the cheaper raw materials ; and secondly, New York, Baltimore, and Boston may in time become the great emporiums for these raw materials, as England is now, and European countries may find it profitable to draw these products from this side of the water. But both events are utterly impossible as long as you keep on your present tariff restrictions.

THE WOOLEN TRADE.

To the Protectionist Manufacturers of the United States.

GENTLEMEN:—On the scale of progress made in the United States in manufacturing, the woolen trade occupies the second highest place. Since 1850 the iron industry of the country has greatly increased. Counting the value of all its productions separately (that is, counting pig iron, bloom, forged, and rolled each as a product), the total value of these products in 1850 was \$52,185,347; whereas the total in 1870 had increased to the enormous amount of \$305,193,347—or nearly sixfold.

The second great increase in our manufactures has been in the department of woolen products. In 1850 the total value produced was \$43,207,345; whereas in 1870 that value was \$155,405,358—an increase of more than three hundred and fifty per centum. I am bound to say that no industrial country in the world can show a similar result in a space of twenty years. The mighty increase of this industry proves several important points: First, it proves the capacity and adaptability of the country to become the greatest head-quarters for woolen goods in the world; second, it proves the spirit of enterprise in the American people to be unsurpassed—nay, unequaled—by any other nation; and last, it shows that we have the greatest market for consuming woolen goods in the world.

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That the production of woollen goods in 1876 has been less than in 1870, in value at least, if not in quantity, there can be no doubt. As a rule, I believe the reduction in value to have been twenty per centum; and assuming that to be a fair calculation we must have produced in 1876 about \$134,000,000 worth of woollen manufactures. Now, my good friends, I exceedingly regret to tell the world what is but too well known in the woollen trade, that, if we except the cases of a handful of millionnaires, the great bulk of the woollen manufacturing industry is rotten to the core. Losses, mortgages, foreclosures, and bankruptcies are unfortunately the order of the day, and have been during the last four years in this enormous industry. Now, my dear protectionist friends, you cannot “shake your gory locks” at free trade, as I will tell you how much the woollen fabrics amounted to which we imported in 1876, and how much duty was paid on them. The total importation of woollen manufactured goods (exclusive of raw material, of course,) was \$47,676,065. The duty paid thereon was \$27,856,382, or nearly sixty per centum; hundreds of articles (chief among which are common blankets, which pay a duty of some one hundred and twenty-five per centum), flannels, heavy pilot and beaver cloth, and other goods paying nearly one hundred per centum, while others are entirely prohibited. But what I want to show you is this, that our woollen manufacturers had about sixty-six per centum of the home market entirely to themselves, owing to the prohibitory duties, and the other thirty-four per centum was protected by a duty of nearly sixty per centum on the average. How, then, does it happen that woollen manufactur-

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ing is in such a distressing state? Above all, you must concede that a tariff which is two-thirds entirely prohibitory, and the other third of which gives a protection of sixty per centum, was incapable of keeping the woollen industry from ruin. In short, if a high tariff—nay, a two-thirds prohibitory tariff—is the most wholesome policy that a government can devise to make industries flourish, why in the world is this great woollen industry in such a pitiful plight? And if, on the other hand, it is proved that this economic policy does not prevent ruin and bankruptcies, why in the world is it persisted in?

Now, let me come to the real facts—the sources of all the ruin which has befallen the woollen industry of this country.

First. I find that the average duty on raw wool, reduced to *ad valorem*, has been in 1876 as follows: On class 1, clothing wool, about fifty-one per centum; on class 2, combing wool, about forty-three per centum; on class 3, carpet wool, about twenty-six per centum. The duty on dyestuffs used in the woollen trade was about thirty per centum.

Second. Look at the enormous competition. It is but natural that the enterprising men who engineered through Congress a woollen tariff which is two-thirds prohibitory and one-third restrictive by a sixty per centum duty, should have induced an immense amount of capital to be employed in such an industry. The widows' and orphans' money, trust money, and foolish people's money has been for years employed in this great mirage of industrial deception, and failures have been the result. The great woollen structures went down like the Royal George,—in

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calm water, by its own top-heaviness. It is too well known that the woolen trade was rotten before the panic of 1873.

Third. The great woolen industry of this country has no outlet for its surplus. In 1876 the total exports of woolen manufactures were \$685,828, which is about one-half of one per centum of the production. It is worthy of note that the Dominion of Canada and the provinces took \$590,720 worth of woolen goods from us, and all the rest of the world \$95,108 worth. This is a melancholy picture; but, alas! let me show you a still more melancholy one. In 1870 we produced \$21,761,573 worth of carpets. Now, how much carpet, my good protectionist friends, do you think we exported in 1876? Exactly 8,315 yards, valued at \$6,586! This is so great an anomaly that I must give you in detail our foreign carpet customers:

To China we exported....	50 yards,	value	\$58
To Germany.....	190	“	200
To Quebec and Ontario...	6,595	“	4,980
To British Guiana.....	30	“	30
To Venezuela.....	1,450	“	1,318
<hr/>			
Total.....	8,315 yards,	value	\$6,586

Can a great industry flourish—nay, can it be even healthy—if it carries these leprous spots about its body? The woolen industry of this country cannot be healthy as long as it has to pay duties on its raw materials and dyestuffs, as long as it has no outlet for its surplus, and, above all, as long as it has not to fight against a whole-

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some foreign competition. Take free wool and free dyestuffs and reduce the duties on foreign woollen fabrics to a revenue duty of twenty or twenty-five per centum, and you will find that all the tottering and rotten woollen manufacturers will cease to exist. You will find that the solid, healthy, scientific manufacturers of woollens will flourish; and further, you will find that by such means you will get a foreign market for the surplus of woollens manufactured at home.

But my woollen protectionist friends may say to me, "By doing so we will reduce wages and have pauper labor." Now we have heard enough of this Robespierre argument about cutting off the wages of the virtuous working classes. Come, my friends, and I will show you by statistics the relation that wages in the woollen trade holds to the value of production.

In 1870 there was produced of what is termed woollen goods proper (exclusive of worsted goods) \$151,208,106 worth. The cost of the material of this was \$93,406,884, and the wages paid were \$26,648,272. The consequence is that every dollar's worth of woollen goods represents less than eighteen cents' worth of labor. Since 1870 the wages in the woollen industry have been reduced fully thirty per centum, and, consequently, every dollar's worth of woollen production represents now only thirteen cents of wages. If, therefore, the wages in the United States in this industry were double that of Great Britain—and I believe they are the same now there as here—that would prove only that, if our woollen manufacturers had raw materials and dyestuffs free, England would be better off by six and a half cents on the dollar. At the most extreme showing,

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then, the plea of protecting the American hands is good for only six and a half cents in the dollar. But it is used to justify the imposition of duties ranging from sixty to a hundred and twenty-five per centum!

Can my friends, the protectionist woolen manufacturers, deny these facts?

In conclusion, I will say that I would not wish to see foreign woolen fabrics entirely free, for two reasons: First, the transition would be too great all at once; and, second, I would like to see some revenue come from that source. But I do say that unless we have free wool, free dyestuffs, and a twenty or twenty-five per centum duty on manufactured woolens, the woolen industry of this country must remain in a state of leprosy.

HATS AND CAPS.

To the Protectionist Manufacturers of the United States.

GENTLEMEN :—In my last two letters on the folly of a protective tariff I have chosen two giant stars, Iron and Woolens, for our contemplation. They resemble very much the planets Jupiter and Saturn in their lack of a life-giving, wholesome atmosphere, grand and glorious as they may appear from a distance, surrounded by celestial brightness and mysterious halos. But giant stars have satellites that revolve around them, and, by analogy, your giant iron and woolen industries have also satellites whose destinies are affected by the great bodies, a part of whose system they are.

Let me to-day take a woolen satellite, which we will call hats and caps manufactured out of wool. Now, my good protectionist friends, I find that this hat and cap satellite is by no means a contemptible orb. Let me show you its dimensions and importance. In 1870 our country could show the following statistics in this industry :

Total production of hats and caps, value	\$24,848,167
Materials used, value.	\$12,262,107
Wages paid	6,574,490

Total wages and materials \$18,836,597

Gross profit in 1870 \$6,011,570

Or about twenty-four and a quarter per centum on the amount produced.

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Now, my good friends, let us see what this industry was, and what it yielded in 1860, which was a year memorable for the lowest tariff this country has had during the present century :

Total production, value.....	\$16,937,782
Material used, value.....	\$8,252,380
Wages paid.....	3,815,824

Total material and wages	\$12,068,204
Gross profit in 1860.....	\$4,869,578

Or about twenty-eight and a half per centum on the amount produced, and four and a quarter per centum more than in 1870.

These figures show that a protective tariff of from sixty to eighty per centum on woolen hats and caps in 1870 gave the protected manufacturer four and a quarter per centum less profit than an almost free tariff.

But in what a deplorable state this hat and cap industry is now, and has been during the last four years, let the many bankruptcies and the thousands of idle workingmen in this trade testify. It would be a sickening task to show by statistics the present distress of this great industry. Yet, strange to say, the hat and cap manufacturers of the United States have the whole home market almost to themselves. Let me fortify this assertion. In 1876 the importation of hats and caps into the United States makes the following showing : Total amount imported and withdrawn, \$13,642.41 ; on this there was paid a duty of \$8,726.27, which is equal in average to about sixty-four per centum.

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Well, then, the greatest object of protection, which is to keep foreign competition out, has in this instance been accomplished. We produce \$24,000,000, or say even only \$20,000,000 worth of hats and caps, and we import only \$13,642 worth. This being an undeniable fact, how is it that the hat and cap industry is now in so deplorable a state here? Surely heads have got to be covered, and a hat or cap is a necessary article of clothing. But, my good protectionist friends, the curse of protection, the subtle poison of this infernal lotos-flower, is asserting its power on the protected hat and cap industry.

In the first place, the material used in the manufacture of hats and caps is subject to an outrageous protective duty. Let me show you :

Wool is subject to a duty of from thirty-four to seventy-five per centum ;* hatters' furs, twenty per centum *ad valorem* ; silk for lining, sixty per centum ; leather for binding, thirty-five per centum ; cloth for caps, all the way from fifty to eighty per centum. The very thread caps are sewed with is subject to seventy-five per centum duty.

How is it possible for an industry to flourish that has such an incubus to carry on the outset?

In the second place, as I have already intimated in a former letter in a general way, the very alluring fact of a protection on hats and caps, which amounts to from sixty to eighty per centum, has caused that unwholesome home

* The actual duty collected on raw wool of the first class in 1876 was 53.88, 43.38, 42.63, 34.08, 76.77, 61.89 and 68 per centum.

HATS AND CAPS.

competition which, like irresistible weeds, is choking an otherwise healthy crop.

In the third and last place, this industry has no outlet. If in 1870 the production of hats and caps was even only \$20,000,000, what amount of surplus stock did this industry export? Behold the truth! We exported in 1876 exactly \$198,618 worth, or less than one per centum on the amount produced. Now, supposing that this industry had only a five per centum surplus, which it was absolutely necessary to get rid of: then in 1870 there would have been \$800,000 worth of hats and caps, old stock, left on hand; and as this surplus remains on hand year after year, owing to fresh accumulations, there can be no doubt that the trade is cursed with \$5,000,000 or even \$7,000,000 worth of this unsalable surplus, which has as surely a baneful influence on the hat and cap industry of the country as a drought has on crops in general, or the army worm on growing cotton.

Surely, my good friends, there can be but one remedy, and that is a just revision of the tariff.

You need cheap materials out of which to produce cheap hats and caps; a revision of the tariff alone will give them to you.

You want to have less cut-throat competition at home, and to assert the power of skill, sound capital, energy, and enterprise; a lower duty on foreign caps and hats can alone weed out the rank wild growth that is choking your industry at home.

You want foreign markets wherein to dispose of your surplus; a freer exchange of commodities—free wool, free copper, free hemp and jute, free linseed, free drugs

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and free dyestuffs—will open to you the markets of the East Indies, Australia, Chili, Peru, Montevideo, Buenos Ayres, and a dozen other great and small countries, where you will be able to send your surplus hats and caps. By allowing the industries of other countries to come to your country, you will be able to export your labor, for the export of industry is, after all, only the export of labor.

THE CLOTHING INDUSTRY.

To the Protectionist Manufacturers of the United States.

GENTLEMEN :—Few persons probably are aware of the magnitude of the clothing manufacture of this country. Just let me give an outline of this giant trade. In 1870 there was manufactured in the United States the following amount of wearing apparel :

Men's clothing, valued at.....	\$147,650,378
Boys' clothing, "	1,009,875
Women's apparel, "	12,900,583
<hr/>	
Grand total.....	\$161,560,836

The population of the United States in 1870 was 38,588,371, which gave barely \$4.20 worth of clothing *per capita* to the population. I assume therefore, inasmuch as we have now at least forty-three millions of population, that, notwithstanding the great fall in price of clothing, the production must still be \$160,000,000 in value. What a gigantic trade! In 1870 this trade employed 119,824 hands, all told. It paid no less than \$33,060,535 wages.

A trade so enormous as this proves beyond a doubt that this industry has attained a perfection that probably cannot be surpassed ; and I appeal to all people who

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have traveled much abroad whether my deduction cannot be borne out. It is an undoubted fact that there is not a nation on the globe that has so high an average of cost for clothing, and is, I may say, so suitably clothed and dressed, as the people of the United States.

I wish, my good protectionist friends, I could proclaim the prosperity of the clothing trade with the same assurance that I proclaim its efficiency. Failures and bankruptcies in the clothing trade are of almost daily occurrence. Semi-starvation among the votaries of the needle and sewing-machine is a painful fact. Now, is all this distress owing to the panic of 1873, to the failure of Jay Cooke & Company, and to the collapse of the Northern Pacific Railroad?

I only ask the question.

If by answering this question in the affirmative we could feed only a few thousand starving tailors and tailoresses, I would be the first to say yes, and blush the next moment for having proclaimed an untruth. But as telling a lie will feed no one, I am bound to say that the distress in the clothing trade is as intimately connected with our Machiavelian tariff as is an egg with an omelet.

In the first place, let me see how much of our surplus wearing apparel we exported in 1876. I find that the total amount of wearing apparel exported in that year was \$579,595, which, on a production of say only \$160,000,000, is about 35-100 per centum, or a little more than one-third of one per centum on the gross production. In fact, little as I know practically of this trade, it appears to me that the waste cuttings of the immense quantity of material used must have amounted in value, when

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sold to make shoddy, to more than the whole export trade of the wearing apparel industry.

Secondly, I find by comparison a remarkably stern accuser of the tariff of 1876. In looking at the census of 1860 I find that the total production of wearing apparel in that year amounted to \$88,011,594, or not a great deal more than half the amount we produce now, yet, strange to say, this country exported in 1860, \$525,175 worth of wearing apparel, or only \$54,000 worth less than in 1876. In other words, while this industry has doubled its production, it has remained almost at a standstill in its export of the product. England, France, Germany, and even Switzerland, are yearly increasing their exports in wearing apparel. The best customers for ready-made clothing are Australia, New Zealand, the Cape colony, Chili, Peru, the Argentine Republic, Canada, Newfoundland, and Mexico.

Now, why do not our great manufacturers of wearing apparel, producing \$160,000,000 worth of this product, export clothing to the countries I have just named?

That our clothing industry produces the best and most suitable articles is conceded by all the world. When, years ago, poor Mr. Greeley was hard pressed about the duty on pig iron, he took refuge in the most original exclamation that was ever made. He said:

“If producing pig iron is so profitable, why don't free-traders make pig iron? Can't we persuade, beg, force, or shame free-traders into making pig iron; why don't you do it?”

I am tempted to use this original language of a truly

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great man, unfortunately wrong in economic questions. I might say to the clothing industry, in the language of Greeley, "Can't we persuade, beg, force, or shame you into exporting clothing to Australia, New Zealand, and all the other countries named?" Alas! there is great reason why this industry cannot export.

First. They are restricted to use chiefly home-made cloth when there is foreign cloth for clothing wanted abroad, and the home-made cloth is, owing to the tariff, forty or fifty per centum dearer than a similar fabric abroad.

Second. The silk linings are charged with sixty per centum duty; the velvet with sixty per centum; the silk thread with forty per centum; spool thread with seventy-five per centum; alpaca lining with seventy per centum; linen with forty per centum; and foreign cloth with from sixty to eighty per centum. In fact, the very needles with which the clothing is sown pay a duty of twenty-five per centum. How in the world can we look for an export trade in this industry which is so frightfully handicapped? If we had free raw wool, and any thing like a low duty on woolen fabrics, we could easily import raw wool from Australia, New Zealand, and the Cape, and give in exchange our ready-made clothing. Thus we would promote a double trade of export and import. But the tariff says to Australia what an ancient lazy philosopher said to the bee: "I don't want thy honey, and I don't want thy sting.—We don't want your wool, and we don't want you to buy our clothing." But one great fact has fully been proven, and that is, that the isolation in our export trade for manufactured industries has

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not prevented a nation of more than forty millions of people from increasing in starvation, pauperism, strikes, and bankruptcies. Nor will any true and steady alleviation of the evil be felt until this isolation is broken, and broken it can be only by a proper revision of the present tariff.

SILK AND SUFFERING.

To the Silk Association of America.

ALLOW me, gentlemen, to remind you of a very pleasant annual dinner that took place at Delmonico's on the 12th of May, 1875. Your vice-president, Mr. Dale, made a very glowing little speech. In fact, after so fine a dinner, consisting of some fifteen courses, supplemented with the choicest wines, the *menu* printed on American home-made silk, nothing but silk-velvet words could possibly be expected. Among other good and true things your vice-president said was the following :

“Notwithstanding the harsh and bitter expressions sometimes employed by our public men and writers in opposing the principles of protection to home labor, I think we can see a growing sentiment in favor of it, which, it is to be hoped, will continue until it crystallizes into a national policy which seems to be dictated by the very nature and character of our institutions.”

Two years after this well-delivered sentence, when the crystallization of sixty per centum protection is still in full operation, we find that lauded silk industry in a state of anarchy, and its working hands a general disorganized band of strikers—the very emblems of pauper laborers. But the vice-president, after quoting French history of 1597, once more comes home to the native soil

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and native protection, which he maintains is absolutely necessary for the philanthropic purpose of elevating home labor in general and silk labor in particular. He said :

“ We, as a nation, have a larger proportion of that class of labor than any other. It is represented in our social system by a stratum above the lower classes, and merging by taste and fair education into the higher walks of life. It is to this class of labor that the silk industry gives a remunerative employment more largely than any other, and in a corresponding degree adds to the wealth of the nation.”

Now I most respectfully beg your association in general, and your vice-president in particular, to look at the following picture, copied *verbatim* from the *New-York Times* of the 17th of August, 1877 :

“ About one hundred of the striking silk-weavers lately employed at Messrs. J. N. Stearns & Co.’s manufactory, on Forty-second Street and Third Avenue, held a meeting yesterday afternoon on First Avenue, near Forty-first Street, to devise measures for ending the unpleasant situation they have been placed in by the late reduction of their wages. A large number of these operatives were trained weavers, who learned their trade in mills at Manchester and other manufacturing towns in England, and they were induced to come to this country by the representations of Messrs. Stearns’ agents that they would receive steady employment and fair wages. They feel much mortified at the successive reductions of their wages, and say they wish they were back in the old country, or somewhere else out of New York. They say while house rent, provisions, and nearly all the necessaries of life are nearly as

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high as they were three or four years ago, the wages of the operatives have been steadily reduced, until they find it barely possible to make a living. They are aware, they admit, that the times are very dull, and that business of nearly all kinds is much depressed, but they think an unfair discrimination has been made against their class, to which they are unwilling to submit. After some discussion as to the best course to pursue, a committee of ten was appointed to wait on the proprietors and ascertain whether it would not be possible to effect a compromise. The deputation found Mr. Stearns at the factory, and after representing to him the impossibility of making a decent support out of the terms to which their pay had been reduced, they asked if he would not reconsider the matter and restore their old wages, or at least meet the weavers 'halfway.' He told the girls that he could not make an advance of one cent, and he advised them, during these hard times, to rent a tenement-house in common and all live together.

" 'What shall we buy the furniture with?' they asked.

" 'Oh, you can do without furniture. You will have to live on the floor awhile.' He also told them that if they were not satisfied with their pay, they could go to Paterson and see if they could do any better.

" When the committee returned to the meeting and reported their lack of success, the girls gave vent to some very bitter expressions and resolved to continue the strike. They say they have offers of assistance from the operatives of Paterson, and though the latter are on very low wages they can still do something for their fellow-laborers in New York."

When a hundred girls are told to hire a tenement-room, and to sleep on the floor awhile without furniture,

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by one of the largest branches of this association, it seems scarcely in harmony with the vice-president's boast that the silk industry, above all others, strives to raise the social condition of its work-people above the lower classes, and merge them by taste and fair education into the higher walks of life. To huddle up a hundred females in a large tenement, without furniture, on the bare floor, is scarcely equivalent to raising them from the lower classes. In short, it is pure and simple pauper lodgings; nay, it is worse, for paupers are furnished with straw mattresses. And in order to elevate our labor, especially in the silk industry, so that a number of young girls can sleep on the bare floor, it is above all necessary to tax foreign silk sixty per centum. In the event of getting say seventy-five per centum duty on the silk, the female operatives would have a further chance to advance in the scale of social position. The next step will be to tell them to hire a few railway cattle-trucks and stand up in them like home-protected cattle. In short, there is no sacrifice that these home-protected laborers are not expected to make, so long as the sacred tariff is not attacked.

But, my worthy friends, whom do you really think to blind? Have you not proclaimed it in your factories, in highways and byways, that the silk industry pays pauper wages? Is it in order to pay pauper wages that you demand a protection of sixty per centum on silks? You dare not allege, after all the exposures that have been made, that your industry pays any other but pauper wages. Now, my worthy friends, your trouble is not high-priced labor, nor is it the raw material, as you have

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that free. Your trouble is that you are infants indeed in the trade. You waste perhaps fifteen or twenty per centum more than the well-organized factories in Lyons. The silk labor in France is an institution which has grown up during three or four centuries. Every branch—and there are many of them—is perfect in its own way, while every one of your branches is faulty. Here is the real trouble, and it may take you a hundred years to attain that proficiency in economy of manufacturing that the French have got through the gradual crustation of ages. You are exactly like the Chinese mechanic who copied a steam-engine, but made the pistons, etc., all stationary, and when the engine refused to move, he exclaimed to his English beholders: “Me can makee he, but me cannot makee he walkee.”

Now, you can make silks perhaps as good as the French, but you cannot make them for the same price, and if the price of your pauper labor was half what it is now you could not do it. You want economical crustation; and you modestly want the people to tax themselves sixty per centum on their silks in order that you may attain a proficiency which may take forty or fifty, if not one hundred, years to accomplish.

When the Morrison Tariff bill proposed a reduction of the silk duties from sixty per centum to forty per centum, your association, with Mr. Dale at its head, came before the Ways and Means Committee. It displayed samples of beautiful home-made silks, and impressed that committee above all with the statement that a reduction of duties would involve pauper wages to the silk operatives. Well, the tariff bill failed. You still have sixty per cen-

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tum protection. But let me ask you most respectfully and honestly, are you or are you not paying pauper wages to your employés? Did the operatives tell the truth, or was it an untruth, when they informed a *Tribune* reporter that "before" the proposed reduction the wages were as follows: A dyer earned \$9.00 a week; a spinner \$6.00 a week; and female operatives from \$3.00 to \$5.50 a week.

And these wages it was proposed to reduce twenty-five per centum. Now, under the wages just mentioned without the reduction, a man, his wife, and a girl fourteen years old would earn:

The man, a spinner.....	\$6 00
The woman, the highest wages.....	5 50
The girl, the highest wages.....	3 00
Total.....	<hr/> \$14 50

Mr. Osterhaus, our consul at Lyons, asserts officially that a man, his wife, and a girl fourteen years old easily earn \$10 gold a week in Lyons, which is equivalent to \$10.50 of our money, and the difference of wages is therefore about forty per centum in favor of America, while the rent alone is more than double in the United States what it is in France, and all necessities are here proportionately higher. But if you reduce these wages twenty-five per centum, it follows that the family of a man, his wife, and girl fourteen years old, would only earn in Paterson \$10.38 currency, or thirty-eight cents more than in Lyons.

Let me ask you a plain question. If you come next time before the Committee of Ways and Means with the

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traditional bundle of highly finished silks, wrapped in the well-known brown-paper parcel, will your eloquent vice-president again plead his cause with the aristocratic wages paid to the employés in the silk industry? Or will you have the honesty to declare the fact that your working men and women, under a sixty per centum protection, receive, and have to live, or rather starve, on pauper wages?

SPOOL THREAD.

To the Protectionist Manufacturers of the United States.

No one is disposed to doubt that the all-absorbing political question of the new administration is the pacification of the South. As that question is now happily approaching a satisfactory solution, it may perhaps not be amiss to point out to the President that the economic slavery question of the whole country cries out aloud for emancipation. The situation can be summed up in a few sentences :

First. The trade, industry, and commerce of the country are totally prostrated.

Second. The revenue from imports has fallen off as follows :

1870, duties collected	\$191,221,768
1871, " " 	201,985,574
1872, " " 	212,030,727
1873, " " 	184,556,045
1874, " " 	160,185,382
1875, " " 	154,271,805
1876, " " 	144,982,441

Third. There are pretty strong indications that no revival of trade will set in so long as the incubus of our present tariff system oppresses trade and commerce. It

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is commonly a subject of great rejoicing if an article hitherto largely imported almost totally ceases to be imported, and our attention is directed to the splendid workings of the protective system by which we have been emancipated from a foreign dependence.

The question whether the people at large or only a small sectional monopoly benefits by such a change is, it seems, too complicated to enter into the controversy. I will point out one of these glorious examples.

In 1870 we imported 8,220,545 dozens of spool thread, valued at \$1,122,447. The duty we collected on it in 1870 was \$891,396.05. There was little spool thread made in this country in 1870, and we oppressed the people in general and the seamstresses in particular with a burden of nearly \$900,000.

There was at least one satisfaction in this oppression, namely: nearly \$900,000 in hard gold coin went into the Treasury. Now let us look six years later. During that period the home manufacturers have taken to making spool thread, and no wonder, as the above figures show that spool thread was protected with the trifling bagatelle of seventy-five per centum duty. The consequence of this protection is what might easily have been expected. In 1876 we imported only 369,415 dozens of spool thread, valued at \$55,456, and collected \$38,616.92 duty. Perhaps the contrast will show more effectively if I place the figures side by side:

Year.	Imports. Quantity.	Value.	Duty Collected.
1870....	8,220,545 doz.	\$1,222,447	\$891,396.05
1876....	369,415 doz.	55,456	38,616.92

SPOOL THREAD.

Here is a picture which should rejoice the hearts of all protectionists. The spool-thread importation has fallen from 8,220,000 dozens to 369,000 dozens. The receipt of the Treasury has fallen from this source from \$891,396 to \$38,616. Now, it is clear the Treasury has lost \$853,000 revenue. But who has gained the difference?

It must be perfectly clear to anybody who has the power of reasoning that the full "pound of flesh" in the duty on spool thread, which is now about seventy per centum, is most rigorously exacted by the spool-thread masters of this country, as the very fact that we still are importing 369,415 dozens from abroad fully proves. And it is a fact that a dozen spool thread not exceeding one hundred yards per spool costs in England seven and a half-pence, or fifteen cents gold, and that on imported thread a duty of six cents per dozen, and in addition thirty per centum *ad valorem* is exacted, or exactly ten and a half cents per dozen, or just seventy per centum. Now there cannot be any doubt at all that in 1876 this country consumed 12,000,000 dozens of spool thread, on which the consumers paid ten and a half cents per dozen spools, in gold, extra, on account of the tariff, which is in round figures \$1,260,000.

This sum was divided as follows :

Tax to the manufacturers of spool	
thread.....	\$1,221,383.08
Duty to the Treasury.....	38,616.92
	<hr/>
Total.....	\$1,260,000.00

SPOOL THREAD.

Now this single example is simply one pimple on the diseased economic body covered all over with the small-pox tariff disease. Is it possible that industry can find relief, or that the Treasury even can hope for a fair revenue, when enormities exist of which the above is only a single item out of thousands of such outrages?

THE TAXES ON MEDICINES.

To the Manufacturing Chemists of the United States.

MY VERY GOOD FRIENDS:—You have no doubt seen my good resolve to treat the tariff question in future with the utmost amiability. I regret that for ten years I have in very many letters, pamphlets, and other writings stigmatized the duty on quinine, calomel, castor-oil, and in fact all kinds of medicines, as a swindle, robbery, and oppression of the people. I regret it, not because my assertions were not true, but because the truth was not polite. I shall, therefore, in future avoid such disagreeable epithets. Now, having made this resolve, I exceedingly regret to find that you, my good protectionist taxers of medicines, are not happy. The following printed appeal from your Chairman of the Tariff Committee of Manufacturing Chemists was handed to me by one who was expected to make quite a different use of it. Let the interesting document speak for itself:

“(Special.)

“PHILADELPHIA, June 25, 1877.

“DEAR SIR:—I think it very desirable to make a proper distribution of some circulars, containing the matter quoted at the foot of this, over some responsible signatures.

“I would be very glad, therefore, to have permission to use your name to the circular, in which case I would suggest that you sign and return the enclosed.

THE TAXES ON MEDICINES.

“Requesting the favor of an early reply, I remain, dear sirs,
yours very truly,

“A. H. JONES,

“Chairman of Tariff Committee of Manufacturing Chemists.

“COPY OF PROPOSED CIRCULAR.

“PHILADELPHIA, *June 14, 1877.*

“DEAR SIR :—We desire to call your attention to the following extract from a series of resolutions adopted by the Manufacturing Chemists' Association of the United States, at their meeting, held in Baltimore, June 6, 1877 :

“ ‘That the position be taken that manufacturing chemists—as producers—having a large amount of capital invested, employing large numbers of working people, paying the same rates of wages, the same rates of interest for the use of money, doing business under the same expenses generally as other manufacturers—as taxpayers—more heavily burdened than most of their fellow-manufacturers, paying annually into the United States Treasury hundreds of thousands of dollars through the tax on distilled spirits alone—and as good citizens, have at least as strong claims upon the government and the people as any other class of manufacturers—and hence that they have an absolute right to demand that any general policy of the government, whatever it may be, shall be made to apply to them as to all others.’

“We trust that you will give this careful consideration, should you receive a postal card from New York, asking you to use your influence to have all chemicals, drugs, dyes, dye-stuffs, oils, seeds, herbs, and medicines placed on the free list.”

Now, my good friends, what is disturbing you? Surely you have a good conscience. As a class you are rich and benevolent, and ought to be happy. Alas! my friends, I

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am afraid you are like that flock of interesting birds in the desert, smelling from afar off the sick camel. Your doleful cries are caused by the coming changes in the tariff. Well, then, most benevolent friends, let us reason calmly on this subject. Do you really think it right and just that the sick man's medicine should be made dear for forty-five millions of people for the benefit of some half a dozen rich manufacturing chemists? Is medicine a luxury? Do you not tax the charitable who give their money to hospitals? Do you not tax the poor sick wretch on his quinine pill, on his calomel, in fact on all his medicine, while he is agonized by fever and disease? Do you not at this moment charge \$4.60 for an ounce of quinine (*vide* Powers & Weightman's Circular of June 1), when Pelletier's quinine is sold in London for 14s. 9d., and can be laid down in New York in bond for \$3.90 currency? You have the bark free, and as cheap as Pelletier. You say you use the taxed alcohol in the production of quinine. But Mr. Robbins, of McKesson & Robbins, testified last year before the Ways and Means Committee as follows:

“ ‘The manufacture of sulphate of quinine,’ it is said, ‘involves the use of alcohol, which is heavily taxed;’ the reply is, the Morrison bill, before our present Committee of Ways and Means, which places quinine on the free list, allows the manufacturer to use alcohol free from all excise; further, this assertion on the part of our manufacturers is a mere pretense, because it is well known that alcohol is not an essential factor in the preparation or separation of quinine. The very best European brands are prepared without the use of alcohol or grain spirits of any kind.”

THE TAXES ON MEDICINES.

Now, I took pains to inquire into this assertion, and I find that Mr. Robbins is perfectly right, and you know too well that his assertions are true. Why then, my dear protectionist chemists, do you make use of an argument in your circular which you know is not in accordance with the truth, especially when the contrary can so easily be exposed? My dear friends, you are but barely half a dozen medicine manufacturers. Your benevolence in producing drugs for the people during the last sixteen years under a painful prohibitory tax has been blessed with results which have made millionnaires of you all, and some of you triple and quadruple millionnaires. It is surely time for you to allow forty-five millions of people to digest cheaper medicine, and you may, if you can, digest the millions you made on the taxed medicines during the last sixteen years.

Pray, dear friends, bow to the inevitable. We must really have free quinine, free calomel, free drugs of all kinds. This is the period of reform; it is a period of reconciliation. Be reasonable, and reconcile your fellow-citizens by foregoing the heavy tax on medicines. I sincerely hope you will not have occasion to use quinine pills, but if you should, only reflect that to the forty-five millions of people every quinine pill is taxed twenty per centum, and that that tax goes into your pockets. Alas! my friends, this reflection at a time of sickness must, or rather should be, far more bitter than the quinine itself; especially if you reflect that the fever-stricken poor of the land are your greatest taxpayers. I have given your special circular a greater circulation than you expected, and I hope it will have its due weight.

WOOD AND LUMBER.

To the Protectionists of the Wood and Lumber Trade.

GENTLEMEN:—It would perhaps be difficult to find an example of extreme folly and selfishness in the history of commerce and industry to compare with the folly of a duty on wood and lumber.

By an extreme stretch of imagination the protectionist may try to defend a protective duty on iron, and argue thus: "Iron ore is in this country almost inexhaustible, and coal is calculated to last for thousands of years: hence, having measureless raw material at hand, we can produce iron without fear of injuring our stock of raw material." Or, in the case of cotton fabrics, the protectionist may say: "We can grow raw cotton annually and fully supply ourselves. Hence we want to use all the raw material we can at home."

But the very reverse principle applies to wood or timber. Every tree we fell and saw up into boards has taken from twenty to fifty years to grow: and even if we are anxious to produce timber again, every year's destruction will take from twenty to fifty years to repair. Some agitation has already been made by men who live not entirely for the present, to get Congress to pass a law for the protection of our forests; and the ruthless destruction of forests in many States is now pointed out as a national calamity. But what shall, what can we say, of a policy that lays a premium on the destruction of our forests by making foreign timber pay a duty, and therefore does not protect, in the usual sense, our own commodity,

but offers a subsidy of about twenty per centum to our people to destroy and cut down as many trees as they can during a year? Can folly, wickedness, and selfishness of men go further? There are but two States in the Union which have fastened, and are anxious to fasten, this wicked policy of timber duty on the great industries of the people, and they are Maine and Michigan.

But protection is an autocrat and a despot. Like Frederick the Great and Napoleon, who, when they had no longer grown men for cannon food, pressed youths and boys into the service, we in the United States, having no longer large grown timber, cut down our youthful trees. "They are better than no wood," says Protection. But how long can this insane destruction last?

In a few years even the youthful trees will give out, and then I suppose we shall have a law prohibiting the felling of a certain size of timber, and shall wait for fifty or one hundred years for trees to grow.

In the meantime the ignorance of the country as to the injury to labor and industry which this wood and lumber duty works is something marvelous. What are the real facts?

In the first place, there is not a house, barn, shanty, railway, factory, or household, not even a human corpse, that is not interested in timber. Every tenement-house is made dearer on account of the duty on wood, and the natural consequence is that rents to poor people are higher. Every farmer is laid under contribution by the lumber tax in building a house, barn, fence, wagon, or piece of household furniture. Every dead pauper buried in a plain deal coffin is an extra charge to the town, if

WOOD AND LUMBER.

it is only a tax of five or ten cents, and this tax goes into the pockets of a few hundred lumber protectionists. Protection surely has no bowels of compassion. We know how it taxes the sick man's medicines, and it does not even hesitate to tax a dead man's coffin. The annual oppression of the lumber tax in the United States must be calculated at least at \$20,000,000.

In 1870 the building and carpentering of this country amounted to \$132,091,432, and this amount was exclusive of wood and timber used in ship-building and rail-roads, etc., etc. And yet we subsidize our home owners of wood with an average protection of twenty per centum on the wood.

How can a home industry prosper and give full employment to workingmen when such an outrage is a systematic policy?

But besides our home use for timber and wood, we are manufacturers of staves, shooks; planed, tongued, and grooved deals; hogsheads, barrels, and all sort of wooden wares.

Let me show the extreme folly of the lumber duty by some facts and figures.

The following table will show our exports of partly manufactured lumber and wood for the years from 1873 to 1876, respectively:

	1873.	1874.	1875.	1876.
Boards, clap-boards, deals, plank, and scantlings	\$4,625,862	\$4,242,389	\$3,663,485	\$4,355,876
Laths, palings, picks, etc.	10,345	22,382	15,793	17,550
Shingles	137,359	106,291	149,774	111,259
Box shooks	263,277	63,856	299,430	131,708
Other shooks and staves	6,091,771	6,456,391	4,777,200	3,942,985
Hogsheads and barrels	267,195	335,777	439,561	343,557
All other lumber	249,872	164,131	334,442	762,167
Hop, hoop, telegraph, and other poles....	672,893	1,028,584	449,876	452,295
	<hr/>	<hr/>	<hr/>	<hr/>
	\$12,318,574	\$12,419,801	\$10,129,561	\$10,117,307

WOOD AND LUMBER.

Thus we can plainly see that the export trade in partly manufactured lumber is gradually leaving us.

While our export of shooks and staves in 1873 was more than \$6,000,000, it fell in 1876 to \$3,942,000.

This dry-rot and decay in our export of partly and wholly manufactured wood is entirely owing to the impolitic duty on foreign lumber. Our lumber duties are simply offering a premium for our export trade in partly manufactured lumber to be transplanted to Canada and the Provinces. In 1873 we exported partly and wholly manufactured wood to Cuba and Porto Rico valued at \$4,391,499, and in 1876 this export trade fell off to \$3,341,197—a loss of more than \$1,000,000 in our export trade in wood to these two important islands. Now there can be no doubt that this deficiency has been supplied by some other countries. But no one in the world, not even the Canadians, would become our rivals in that trade to any extent if we had the raw material free—if, in other words, we could bring *our own timber home free*.

I have put this last expression in italics simply because a great deal of the Canadian forest is owned by American capital. Now, all that is asked is to allow this immense invested capital to bring home the fruits of its investments, and in the first instance give ten thousand workers in lumber and wood employment in the United States, and then export, not only the lumber, but also the industry that has shaped the lumber into staves, shooks, hogsheds, and other things. We wonder, and look aghast at the fact, that English capital exacts a tribute from the whole world; but that is owing only to wise laws. For instance, we know that a great deal of English capital is

WOOD AND LUMBER,

invested in Chili copper mines. The ore belonging to English capital is shipped to England, and there smelted in Swansea, and the ingot copper is sold to all the world. But suppose England were to pursue our own policy and put a prohibitory duty on copper ore. The result would be that the ore would have to be smelted in Chili or elsewhere, and the Swansea industry would become, like our Baltimore copper-smelting industry, a pauper. Give our American invested capital in the Canadian forest the same chance that England gives her invested capital in the Chili copper mines, and we could give many thousands of idle men, who are already paupers and threaten to become even worse degraded, honest work and a competency. Surely restriction and prohibitory duties are the foster-mothers of pauperism and dry-rot in commerce.

AMERICAN SHIPPING.

To the Navigation Law-ridden People of the United States.

FROM time immemorial it has been the custom to stone, slay, flay alive, hang, and kill that obtrusive class of people who have had the courage to show the people their folly and wickedness. In modern times, however, the flaying alive or slaying is somewhat impracticable, and, instead of that, abuse is plentifully heaped on all those who dare to attack a favorite monopoly, which, while it is an injury to the whole nation, is as beneficial to a favorite few as were monopolies granted by the Pompadour to her minions more than a hundred years ago in France.

There is one very remarkable fact about these modern monopolies. While there are monopolies now in the United States by far more outrageous than those in France during the reign of Louis XV., yet the most enlightened people in the world are actually a thousand times more patient, nay, if it is not too strong to say, more slavish, in tolerating them, than were the people of a hundred years ago.

The United States rejoices in a navigation law now more than eighty years old. When that law was passed the men of the country wore pigtails and small knee-breeches; traveling was done by ox teams, and the pilory was not entirely abolished. The above customs have long since vanished, but there are still three arti-

cles classed alike, which are prohibited from being imported into the country, and they are :

First—Counterfeit money.

Second—Obscene prints and pictures.

Third—Foreign-built ships.

Now, it so happens that as to only one of these three prohibited commodities is the law strictly enforced. Counterfeit money and a gaudy sprinkling of obscene prints and pictures find still their way into the country. But no foreign-built vessel has ever, since the law passed, found its way into an American register.

I don't intend to consider the wisdom or policy of the navigation law. I will admit that there was a time when it worked beneficially. When ships were built of wood, and even paddlebox steamers were in vogue, this prohibitory law no doubt gave American ship-building a great impetus, and American ship-owners the largest slice of the foreign carrying trade. But a revolution in ship-building has set in during the last twenty years. The greatest maritime nation of the world builds its vessels chiefly of iron, and no longer of wood, and steam has largely superseded sailing ships. America has for years past proclaimed her inability, not to build iron ships or iron steamers, but to build them as cheap as foreigners. Still the old Star Chamber law is in force, which says, "If you cannot build, *you dare not buy.*"

The consequence is that foreign shipping takes the bread and butter from us right before our noses. There is but one really large ship-building establishment in the country which frantically proclaims that it can build iron steamers and ships as cheap as they can be built on the

Clyde, and that to allow foreign ships to come into the country and be registered would ruin the shipping interest of the United States.

Of course the whole country shrinks from this appalling catastrophe of the ruin of American shipping. I shall to-day contribute a statistical fact which at a glance will show the flourishing state of our shipping, which the advocates for free ships so persistently and mercilessly seek to destroy. We are at present blessed with an enormous harvest, while Europe anxiously seeks our breadstuffs. Of course our produce has to be carried in ships across the ocean.

New York is the largest exporting port in the country, and our export trade from this port at present is simply enormous.

From the 1st of September to the 24th, inclusive, forty-six ocean steamers cleared from New York for Liverpool, London, Glasgow, and ports in Germany, France, and Belgium. Their total capacity of tonnage was 139,176 tons. They were loaded with produce to their fullest capacity, and, indeed, much freight was shut out for want of room. Now, how was this trade divided between the foreign pauper free steamships and our aristocratic home-protected steamships?

The Custom House register of New York for clearances shows :

Cleared for European ports from 1st of September to 24th, foreign built and owned ocean steamers	46
Tonnage, aggregate tons,	139,176
Number of crews carried	3,919
American ocean steamers for European ports	<i>Not one.</i>

AMERICAN SHIPPING.

It is by far wiser and better for me to close here. If forty-five millions of people can digest this fact without shame, without a blush, and without an effort to free themselves, I can certainly afford to pity their submissiveness as the abject serfs of one—or even six ship-building establishments in the country.

WORDS TO WORKINGMEN.

To the Workingmen of the United States.

It is a rule in treating a fever patient not to administer medicines while he is in a high state of fever. The fevered labor strike is now no longer in the dangerous condition of delirium. It is in an intermittent state, and the time has come when its case can be safely treated. There are two distinct preliminary propositions to be considered when we discuss the labor question :

First. An organized government will not and cannot allow violence by a mob, be their grievance never so hard. Organization has always defeated, punished, and annihilated violence, and will do so as long as solid government exists.

Second. Labor is a free commodity ; it can and ought to offer itself freely wherever it is needed ; and any interference by so-called protecting societies (which, like all other protections, are a swindle and a tyranny), the object of which is to prevent the healthy, the industrious, the frugal, and the peace-loving artisan from gaining his living, in order to protect the lazy, the riotous, the spend-thrift, and the "hoodlum," is more of a crime against labor itself than against capital. It simply leads to violence and drunkenness among the men, and starvation, sickness, and death in their families. As long as this

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tyranny is allowed to exist, no solid, sound happiness can be the portion of the working classes.

And right here I will ask myself the question that a workingman may ask me, namely, Will not capital take advantage of our helplessness? Is it not true that union means strength, which will coerce capital to do us justice?

Now, in answer to this, I will say that there are periods in the history of a country's industries when capital, seeming to bear the hardest on labor, is really in a state of great distress, and unable to act otherwise. Labor, which has to attend to the creation of commodities, cannot possibly judge of the affairs of the counting-house; and it is because labor understands and sees only its own distress that it looks upon capital as its enemy, without investigating, or, in fact, being able to investigate, the causes of the distress that afflicts capital as well as labor. Again, as to union being strength and capital coercible: Alas, poor laborer! how many battle-fields has he won? And when labor has got a seeming victory, was it not only another name for defeat? While the strife went on, the laborer, his wife, and his children were drawing their pay from pawnbrokers' shops. Like Mr. Jingle in the Fleet Prison, they were eating boots, shoes, the children's frocks, and the household furniture and beds. These were the trophies that labor carried off by the strikes. Yet I should be sorry to see labor entirely at the mercy of capital; and the practical good sense of England has pointed out a way in which labor may be protected without the tyrannical despotism of leagues.

In England there are now labor commissions, regu-

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larly appointed, as occasion arises, by some responsible authority. These are the tribunals that arbitrate between labor and capital. The other day (I think only two months ago) there was a threatened "lock-out" in Bolton, in Lancashire, among the cotton spinners.* A reduction in wages was proposed. Well, the Labor Commission interfered and arbitrated, and the result was, and is, peace. Men like Messrs. Forster, John Bright, Jacob Bright, Mundella, Fawcett, and others of similar stamp and standing are chosen for the arbitrators for labor, with its so-called opponent, capital. The former trade-league tyrannies of England are virtually broken. Sheffield "rattening" is now a thing of the past, and even that great apostle of the distressed laborers, Mr. Bradlaugh, being cheated of his customary work, has had to try for a living selling books of obscene tendency, and is now condemned to a year's imprisonment.

Well, what is practicable and an accomplished fact in England is certainly possible and feasible here. Let us see how such a commission would have worked in these late troubles. The turmoil began by the railroad servants refusing to submit to a reduction of wages. Their deputations and so-called leaders were men with whom the companies could not argue or treat; hence violence was the result.

But suppose an Arbitration Committee had been an actual fact in this State, and Mr. Horatio Seymour and Senator Kernan or Senator Conkling, or men of similar

* July, 1877.

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high standing, had been appointed to arbitrate for the aggrieved parties, will the workingmen deny that these eminent men would not have done better for them than their bashaw leaders who are now in prison? Or is it likely that these eminent men would have betrayed a trust at once so delicate and so solemn?

Now this in reality offers the only solution for future labor disputes. But the old tyranny of labor prevention will have to cease, just as violence must cease. Organized society will not allow this "rattening" system to become an institution in a great country like the United States.

And now, as I have not hesitated to expose the follies, crimes, and tyranny of labor, it would ill become me not to expose, in connection with these troubles, the tyranny of our economic policy and system.

I suppose every blanket manufacturer, every hat and cap maker, and every spool-thread manufacturer in or out of Pawtucket, cheerfully agrees with me that labor should be free; that they should have the liberty to employ whom they please, and pay the market price for labor. Well, then, in that case, why should the laborer pay \$4 a pair for blankets, \$2 for a hat, and 8 cents for a spool of thread when, if the laws of his country would let him, he need pay only \$2.75 for blankets, \$1.25 for a hat, and 4 cents for a spool of thread?

These three articles are respectively protected by a duty of one hundred and twenty per centum on blankets, eighty per centum on woollen hats, and seventy-six per centum on thread. Is this tyranny, which compels people to pay these high prices, right? But blankets, hats,

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and spool thread are not the only excuses for outrage in our tariff system. The disease pervades the whole body of supply. Let us take, for example, a few articles, which we produce in abundance, and always did, and compare their prices now with those of 1860-61 :

Articles.	Price, 1860-61.	Price, July, 1877. Average.
Beef, roasting pieces.....	10 $\frac{1}{4}$ c.	15c.
Mutton, fore-quarters.....	8 $\frac{1}{8}$	9 @ 10
Do. hind-quarters.....	9 $\frac{5}{8}$	13
Corned beef.....	7 $\frac{5}{8}$	10
Pork, fresh.....	10 $\frac{1}{4}$	12
Bacon.....	10 $\frac{3}{4}$	14
Lard.....	12	13 $\frac{1}{2}$

Now, the general price of wages is as low now as it was in 1860-61. If, therefore, you, most unfortunate workingmen, want to be as well off now as you were in 1860-61, it is not higher wages you want, but cheaper commodities; cheaper beef, mutton, lard, bacon, and, above all, cheaper house-rent and clothing.

The farmer cannot sell his cattle or his produce as cheap now as in 1860-61, simply because it costs him more to raise them. If the farmer builds a house or barn the timber is protected, and he has to pay twenty per centum more for it; the paint is protected, and he pays forty per centum more; the iron is protected, and he pays thirty-five to forty per centum more. His clothing and that of his family are protected from forty to eighty per centum, and it costs him more, therefore, for his household. The farmer is taxed on every article he has to buy, and therefore he cannot furnish us with his

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produce as low as in 1860-61, and what is an undeniable and distressing fact is, that more than half the farmers are in debt, and their incomes are eaten up by payments of interest. Relieve the farmer of his unjust and impolitic taxation, and you will have cheaper commodities, and your present wages will be ample for your wants.

Is it not a shame and an outrage—I may say a crime—that a fever-sick family should have to pay a tax on their medicines to three or four people who are already millionnaires? Is it not lamentable that they should pay fifty or sixty per centum more for their blankets in the winter—and, in fact, for every article that is used?

Is it not a patent fact that at this moment nearly every commodity in England is cheaper, not only than here, but than in any other country that has a semi-protective tariff? And yet the price of labor is now as low here as it is in England. What enables a day's labor in England at four shillings (which is a dollar) to buy from twenty-five to thirty per centum more commodities there than a day's labor at a dollar here? Is it not the fact that freedom of trade has cheapened commodities in England?

The distress of labor does not lie in the lower rate of wages; it can be found only in the higher price of commodities and necessaries. And this evil is the result of the tariff system of this country.

Protection holds the same relation to labor that the dispenser of whiskey holds to his customers. There are a few of these protected industries which, like so many whiskey dealers, make fortunes; they give intoxicating liquors to labor and urge it to get drunk, and get its mind fuddled with the idea that protection will make

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labor happy and give it plenty. Let labor examine itself, and see whether it is not intoxicated with this delusion. Just now, when in a state of delirium, it acted like drunken madmen. There can be no relief, no solid mitigation of the labor distress as long as this exclusive tariff lasts which has made the rich richer, and the laboring classes paupers.

WHAT PROTECTION HAS COST.

To the People Interested in our Vast Industries.

It may not be amiss to lay before the people of this country a little balance-sheet of the debit and credit of our great industries, of which alike the highest and the most lowly in the land are, or ought to be, proud.

I will not go into the philosophy of the great American Franklin as to whether we have paid too much for our whistle; my simple object is to show what the whistle has cost, and it is for the people to decide whether it is not time that some lively and not doleful tunes should be played on it.

Sixteen years ago it was resolved by acclamation that we should in future play on a home-made whistle; in other words, that we should restrict, embarrass, complicate, and raise duties on foreign commodities to an extent which would give to American manufacturers the home trade. Truth to say, we have succeeded pretty well. The year 1877 finds us importing only \$451,315,992 of merchandise of every description (exclusive of course of bullion), which is in round numbers about ten dollars per capita. Our imports therefore compare favorably with the imports of the rest of the civilized world—that is, if small importations indicate a high state of prosperity, which I decidedly deny. Well, then, before I go into figures I must make it clear to the ordinary reader that every article of consumption which is made dearer

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here by a foreign duty on similar goods produced abroad imposes a tax on the people. For instance, if a household uses two dollars' worth of salt in a year, and that salt is seventy-five cents dearer on account of the duty, the household pays a tax of seventy-five cents to some corporation or to the government. Or, if a household uses four pairs of blankets in a year, paying sixteen dollars for them, when the same four pairs of blankets, if no duty existed, could have been bought for ten dollars, that household pays a tax of six dollars to the home blanket manufacturer. Indeed, the duty on foreign blankets is so high that we have in 1877 imported only \$9,339 worth, although we have used probably \$20,000,000 worth during the year.

Some casuists may say, inasmuch as the taxes paid to manufacturers of blankets or iron or quinine remain in the country, the country gets the benefit after all. But as well might we say that spending \$100,000,000 on a standing army, and raising the amount by taxation, is no injury because the money thus raised is spent entirely in the country. The economic truth is, that the vast amount squeezed out in small sums from the people enriches and benefits a comparatively small number, or, in other words, it makes the rich richer. Therefore the most blind or bigoted adherents of home protection and dear goods cannot deny that the people pay a tax by having to pay more for their clothes, blankets, medicines, crockery, and, in fact, for every thing they use.

I do not intend to go back with my calculations to the fearful years of the late war, but will take the twelve years from 1865 to 1877 inclusive as a suitable period.

WHAT PROTECTION HAS COST.

The home industry of this country, at the lowest calculation, has supplied the people on an average with \$3,000,000,000 worth of manufactured goods of all kinds per annum. This, of course, includes building materials, but does not include coal, petroleum, precious metals, or breadstuffs of any description, nor spirits, wine, or beer. It therefore follows that the consumption during these twelve years has been \$36,000,000,000, or nine times the amount of the English national debt. Our average protection, or the average duties on duty-paying goods, is over forty per centum. But far be it from me to say that *all* our home manufactures were, by dint of the tariff, raised forty per centum in cost. There is no economist in the land, however, who will not admit that, had the tariff of 1857 been in existence during the last twelve years, the \$3,000,000,000 worth of home-made commodities would have been bought by the people for twenty per centum less, or for \$2,400,000,000. And it is indeed a very, very moderate calculation to say that the people have been taxed by dint of the tariff, over and above what has been collected by the custom-houses, at least \$600,000,000 per annum, to pay for that most expensive of all whistles, home industries.

Thus, then, during twelve years, the people were taxed in the laudable luxury of building up the most mighty industries the world ever saw, \$7,200,000,000, or three times the amount of our national debt—a sum which would have bought all the negroes twenty years ago in the South.

Who is so dull, who so stubborn as to dare deny this modestly calculated tax?

WHAT PROTECTION HAS COST.

Well, then, the people having paid so enormously for the great edifice, is it not time that that structure should be roofed in or crowned? Is it not time for that edifice to cry out—loudly, too—“Take off your scaffolding, your ungainly wooden props; I can stand alone, erect, and defy the elements”? Or is it not time for the people to say: “Behold, we contributed during twelve years \$7,200,000,000 to build this edifice. We are now exhausted. Give us the benefit of the great marts. But the true and only way to give us that benefit is to show us, by free competition, by modifications of the tariff laws, by throwing off the shackles of commerce, that we have not taxed ourselves in vain—that we have not built this gigantic pyramid on sand! If, on the other hand, this vast taxation was insufficient to build up the industries of the country on solid and indestructible foundations, what guaranty have we that they will be built even by a taxation of another \$7,200,000,000?”

The time has come to reflect on this vast problem, and not to get angry or abuse those persons who do not fear to lay it in a straightforward manner before the people.

THE LABOR TROUBLES.

To the Workingmen of the United States.

THE future historian of 1977 will be sorely puzzled when he comes to relate the labor distress and riots of 1877. He will naturally cry out, "How was it that forty-three millions of people living in that vast area of what, then, 1877, was the United States, having some eighty thousand miles of railways at their disposal, steam and electricity at their command, an ingenuity in machinery which only twelve months before was decided by a jury of the whole civilized world to be unsurpassed, not suffering as India did at the same period from drought, or bad crops, at perfect peace with foreign lands, and even peaceful at home—how was it," the historian will ask, "that these forty-three millions of our ancestors were rioting about wages and labor, pinched by hunger, and by all accounts in a distressed state, when we now, in 1977, feed, clothe, and maintain two hundred millions of the human race?"

Of course, dead generations are not held up by respectable historians to contempt, especially when they are our ancestors. But we shall certainly be held up to pity by the future writers of 1977.

Now it is not likely that a vestige of what I have written, or shall write, will survive to that remote period.

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Yet I am at least anxious to put myself on record that I fully understand the cause of our present distress, and that a selfish, impracticable policy, the offspring of a bloody strife and confusion, is to blame for it.

The economy of this country is made up of three enormous branches :

First. The agricultural branch.

Second. The industrial or manufacturing branch.

Third. The commercial branch.

Now, as long as these three great branches work harmoniously together, and are not antagonistic among themselves, prosperity is the result. But the moment that one of these branches either fails to perform its function or becomes antagonistic to the other branches, distress and confusion are the result to all three.

Now, let me examine these three branches separately.

First. The agricultural branch. At no time and in no country can there possibly be shown a more satisfactory state of harmony in raising products from the ground, breeding cattle and producing dairy products than in the United States. The cotton crop of 1876-77 will no doubt reach nearly five million bales, the largest crop on record. The cereal crop of 1876 was large, and the surplus, which we sent to foreign countries, was unprecedentedly greater than ever was known before. In short, the agriculturists of the land have done their duty, and can, with justice, say: "The distress in the land is not chargeable to us, and we, the agriculturists, after doing all these wonders, are still suffering from a silent disease, the cause of which is dim to us."

Next, let me examine the industries of the country.

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In doing so I find bankruptcies, distrust, strikes, labor riots, want of employment, and a large share of starvation. Now, what has caused all this distress? Let me show you. In 1850, when a beggar in the streets of New York was a novelty, and starvation of the laboring classes was unknown, there was still a population in this country amounting in all to 23,191,876 souls. Surely such a population was not to be despised. It was larger than that of one of the then great powers of Europe, namely, Prussia. The manufacturing industry of the United States in 1850 was also far from contemptible, as in that year the country produced \$1,019,106,600 of manufactured goods. Now, if we divide the then population into the amount of goods produced, we shall find that we produced for home consumption at the rate of \$44 per capita. This amount was consumable, and, as the proof shows, did not lead to distress. Ten years later, in 1860, the population had increased to 31,183,744 souls, which might be considered a very respectable population. The production of manufactured goods in 1860 amounted to \$1,885,861,600, and if you divide the population into the amount produced it will give \$57.25 per capita of consumable manufactured goods. Now, it is well known that up to 1860 there really was no labor distress in this country. There was a panic in 1857, lasting about thirty days; with this exception labor earned a livelihood; labor was not degraded by going rampant through the country rioting, and, in large cities, begging for broken victuals, as it does now. Surely no one will dare to gainsay this fact. And now let us look at the third decade, 1870. In that year the population was 38,115,641,

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a mighty empire. But our manufactured production amounted to \$4,232,325,400. If we divide the population into the amount of production we shall find that it gives more than \$111 per capita for home-made consumable goods. Well, then, the average rate of wages, and the average general inflation in 1870, as compared with that of 1860, was undoubtedly one-third. It would therefore follow that whereas the consumption in 1860 of home-made manufactures was \$57.25, it could with safety on the inflation basis be one-third more in 1870, or \$76.33. This is an extreme and more than liberal allowance. But our production was \$111 per capita, and consequently \$34.67 more per capita than it was in the power of the population to consume. If this surplus production could have had an outlet, the whole country would have been enriched by the exportation not only of actual goods, but the labor that produced the goods. That is to say, we would have made the foreigners pay for part of our labor. But, as we exported in 1870—or to come down to 1876—a less percentage on the production than we did in 1860, what else but ruin, bankruptcies, and labor riots can we expect? In 1876 we exported of manufactured goods about \$69,000,000, and we, no doubt, produced \$4,000,000,000. In 1860 we exported about \$39,000,000 of manufactured goods, and we only produced \$1,885,861,600. Here, then, we see the immense difference between the agriculturists and the manufacturers. The former produces largely, and ships his surplus abroad, thereby clearing the home market of the encumbrance, while the manufacturer over-produces and does not ship his surplus in sufficient quantities abroad,

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thereby clogging the home trade and causing stagnation. Either the manufacturer must send his great surplus abroad or he must produce less. That he has no outlet for his goods has been mentioned over and over again. That the cause of not having a foreign market is the outrageous tariff is not only not denied, but has been fully conceded.

Well, then, stoppage of manufactures causes less demand for labor, lower wages, strikes, labor distress, and discontent. In the meantime the manufactured articles are higher than they are in the rest of the world—a result which also is owing to our tariff. The labor in woolen fabrics, for instance, does not average more than thirteen or fourteen per centum, that is to say, if we buy \$100 worth of cloth the labor contained therein is only \$13 or \$14. But the raw wool is surcharged by a duty of from fifty to sixty per centum. The dye-stuff, oil, and chemicals used in the manufacture is surcharged by a duty of from thirty to fifty per centum, and such is the case in almost every manufactured article we produce. Hence the manufactured goods are dearer than they otherwise would be, and the farmer, who is the chief consumer, is thereby injured; and this is the dry-rot, the silent disease that agriculturists suffer from.

Thirdly, as to commerce. Well, the tariff forbids us to trade, as otherwise we would do, with foreign nations. The high duties prohibit imports, and, as I have shown, they make exports of manufactures almost impossible. The tariff laws cripple our shipping trade, because they will not allow us either to build or buy ships! Let this most disgraceful exhibit tell in full at a glance the ruined

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state of our shipping. In 1876 the total foreign exchange of commodities that came to and went from the United States was as follows :

Value of exports carried by vessels...	\$687,393,789
Value of imports carried by vessels...	581,347,913
<hr/>	
Total amount by ships.....	\$1,268,741,702
Total of the above amount carried by foreign ships.....	\$926,715,044
Balance carried by American ships..	342,026,658
<hr/>	
	\$1,268,741,702

Such is the result of our tariff laws, such the fruits of our navigation laws. America, the young giant son of Neptune, whose stanch vessels and seamanship were only twenty years ago the wonder and admiration of the world, allows herself, like some paralytic cripple, to be fed by foreigners in the very carrying trade to and from her own shores. This crippled state of our merchant marine of course precludes the chance of earning anything for carrying goods by Americans for other countries. And thus our many thousand sailors, stevedores, ship-builders, carpenters, and other laborers swell the great throng of the already large pauper laboring population of the land.

And all this is the result, not of a people who by habit are idle, lazy, given to riotous conduct, anxious to have revolutions, or fond of religious persecutions—no! It is the result of wicked laws, which an orderly, peace-loving, hard-working people only too well obey.

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Even with this synopsis of an explanation, should it ever fall into the hands of the future historian of 1977, it would be very difficult for him to understand the labor riots in 1877.

THE REMEDY.

In a paper on the Tariff, read on the 7th of September, 1877, before the Social Science Association, Mr. Moore thus spoke of the remedy for the manufacturing and commercial ills of the United States :—

FREE markets for buying will insure us markets for the sale of our manufactures. This economic principle and this alone, can solve the perplexity and restore confidence, trade, and prosperity. Trade is a barter. If we will allow the linseed, hemp, and saltpetre of India to come in free to the United States, we can reasonably hope to export our cotton fabrics, woolen fabrics, iron and steel products to India. Let me give one example of how a free change of commodities increases trade ; I will not demonstrate the often-repeated example of the English and French exchanges, but cite certain home facts.

In 1870 we had a trade with the republic of Venezuela which was as follows : We imported from that republic products valued at \$2,037,312, and we exported to that republic products valued at \$1,307,833. In fact, our whole import and export trade with Venezuela amounted in 1870 to \$3,345,145. Now, it must be borne in mind that Venezuela has but two great articles of export—namely, coffee and hides—both of which, up to 1870-72, paid a duty in the United States. But during 1870 we made coffee free, and in 1872 we made hides free in the

THE REMEDY.

United States, and the increase of our trade with that republic in imports and exports, shows a wonderful result.

In 1876, only last year, we imported from Venezuela products valued at \$5,875,715, or nearly three times more than in 1870; and we exported to that republic in 1876 goods valued at \$3,424,278, as against \$1,307,833, an increase of more than two hundred and sixty per centum as compared with 1870. In fact, to show this wonderful increase of trade at a glance, I will reiterate that our whole trade, imports and exports, in 1870 with Venezuela was \$3,345,145, and in 1876 it was \$9,299,993. But I am tempted to ask two questions: First, What was the nature of the increase of our imports? and second, What was the nature of the increase of our exports? Well, in 1870, when coffee and hides paid a duty in the United States, we imported \$1,269,478 worth of coffee and \$440,449 worth of hides; while in 1876, when coffee and hides were free, we imported \$4,581,745 worth of coffee and \$668,531 worth of hides. Thus, these two articles show an increase of over three hundred and twenty per centum. But the next answer, as to the nature of the increase of our exports to Venezuela, is as interesting as indeed it will prove conclusive.

Here is a table which gives the value of articles exported to Venezuela in 1870 and 1876 respectively:

Articles.	Years. 1870.	Years. 1876.
Beer.....	\$56	\$12,799
Breadstuffs.....	291,788	788,696
Candies.....	7,265	28,665

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Carriages	5,434	45,544
Brooms and brushes.....	1,824	6,213
Clocks.....	516	3,784
Cordage.....	20,439	65,846
Cotton goods.....	11,958	126,910
Drugs and chemicals.....	23,501	110,825
Earthenware.....	95	2,724
Fancy articles.....	25	5,370
Preserved fruits.....	483	7,157
Iron, steel, cutlery, and guns..	141,043	246,281
Lamps.....	1,035	7,565
Leather goods.....	2,075	7,630
Marble and stone.	800	19,570
Pianos.....	320	3,236
Mineral oil.....	21,993	52,008
Paper and stationery.....	3,688	37,950
Provisions	119,393	463,280
Sewing-machines.....	5,993	58,208
Soap.....	3,844	16,924

Such is the list of the chief articles of export.

Now, can anything prove more conclusively than the foregoing that a free exchange of commodities is conducive to the benefit of both countries engaged in the trade?

But a still more astounding proof can be found in the effect that these freer exchanges of commodities had on the shipping trade. In 1870, when we had a duty on coffee and hides, the American shipping engaged in the trade with Venezuela was as follows: The total American ships engaged in the trade that entered and cleared from and to Venezuela amounted to fifteen vessels, of

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2,571 tons capacity, employing one hundred and nine hands. In 1876, the American ships engaged in the same trade amounted to one hundred and thirty-four vessels, as against fifteen in 1870, with a capacity of 43,459 tons, as against 2,571 tons in 1870, and employing one thousand two hundred and fifty-five American hands, as against one hundred and nine hands in 1870.

Another and still more conclusive illustration that freeing a raw material used in an industry immediately leads to a greater exportation of the product made from it, can be found in the following facts: I said that in 1872 we made hides free; now let me show the effect this change had on our export of tanned leather.

In 1872, the last year when a duty was levied on raw hides, our

Export of tanned leather was valued at.. \$2,864,800

In 1873, the first year after hides were

free, the export value of leather rose to 4,365,174

Two years later, in 1875, it rose to..... 7,064,482

And in 1876 the amount exported was... 7,940,010

In fact, while our exports of tanned leather under the hide duty in 1872 were valued at only \$2,864,000, the value rose in 1876 with free hides to nearly \$8,000,000.

I candidly ask any unbiased mind who has given economic questions the least attention, whether these examples are not sufficient to prove that our exclusive tariff alone is the sole hindrance to the return of industrial prosperity? If by allowing free coffee and hides to come from Venezuela we have increased our exports to that republic threefold, how much more shall we in-

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crease our exports to Australia and Chili if we allow the wool and copper of those countries to come in free, or to India if we make linseed, hemp, and saltpetre free ; in fact, to many countries whose products we cannot import now on account of the high duties ; and if by freeing raw hides of a duty we increased our exports of tanned leather threefold, how much more, for instance, shall we increase the exports of woollens and partially manufactured lumber if we make raw wool and wood free ?

The aim of the Council for Tariff Reform is to further the emancipation of the trade of the country from unnecessary and injurious restrictions, as set forth in the following resolutions, adopted at Saratoga, September 7th, 1877 :

FIRST. *Resolved*, That the present depression of the industrial, commercial, and financial interests of this country is largely due to our inability, under present laws, to dispose of the surplus products of our industry—products which other countries want, and which, but for restrictive and injurious legislation, the United States would, to a great extent, produce and sell better and cheaper than any other nation.

SECOND. *Resolved*, That this general depression has been caused mainly by the erroneous financial and commercial policy pursued by the federal government since the war, in forgetfulness of the economic axiom that it is necessary to buy in order to sell, and that it is utterly impossible for us to dispose of the surplus products of our industry to other nations unless we are allowed to accept in return the surplus products of their industry.

THIRD. *Resolved*, That by imposing taxes for purposes other than revenue, and by preventing us from cheaply building and advantageously buying ships, our shipping, which had become the second in the world, and was fast becoming the first, has been almost swept from the seas.

FOURTH. *Resolved*, That in view of the fact that large and important interests have grown up under the erroneous fiscal policy which the United States have maintained during a period of sixteen years, due regard must be paid to the security and welfare of these interests ; but seeing them prostrate and suffering with others, we are persuaded that if protection has ever done anything for them it has done all in common that it can, and that they no less than others need for their revival and healthy growth a thorough revision of the existing tariff.

FIFTH. *Resolved*, That as one means towards the revival of commerce and general prosperity, we ask, concurrently with reformed legislation, a thorough revision of our commercial treaties with foreign nations, many of which are unsuited to the present industrial and productive condition of this country, and we ask also the negotiation of treaties of commerce with countries such as France and Spain, with which we have now no such agreement.

SIXTH. *Resolved*, That the treaty of reciprocal trade between the United States and Canada which expired in 1865 was commercially beneficial to both countries, and tended to promote that state of friendly feeling which is most desirable to be maintained among neighboring peoples. And we believe that the time has come for a renewal of reciprocal trade relations with that country on the most liberal principles, and we unite with the National Board of Trade in urging the executive to institute negotiations to that end.

SEVENTH. *Resolved*, That all citizens who agree with us in the views we have expressed, are invited to form local organizations for their dissemination, and in order to promote the united action of all such associations a Council of Thirteen be appointed by this Conference, with power to fill vacancies and add to their number, which shall be authorized to call a National Convention and form a National Association.

